

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

April 19, 2002 LB 947, 1085

that's done and I also want to publicly recognize them and urge your contact with them any time that you feel that you want questions on some of the issues that you have questions on. I'm going to start on page 1 and show where our status is. Sixteen million, that's on line 34, \$16,222,302 above the line is where we're headed home under our present estimates and activities that we've done. I also want to call your attention to the line down there below that a little ways called "General Fund Revenues" and it goes across estimated revenue growth which is adjusted for rates and legislation. The first one is 2.8 percent, then two point...which was the actual growth in 2000-2001. The actual growth that as we're headed right now, a 2.2 percent growth in revenue this particular year up to June 30th, with the estimates in the out year of 5.2 percent, and then in the out years, with the Revenue Committee, that we estimate of 7.2 percent. Those are the actions or the revenue estimates that we're acting on at this point in time, so if you have questions on that. I would remind you that the 7.2 does sound aggressive perhaps, but remember it will be from a lower base. The other thing is on the Cash Reserve Fund is in the bottom line, the ending balance on June 30th next year, 2003, the General Fund under...the Cash Reserve Fund under present estimates will be at nearly \$47 million. Now, obviously, if revenues do not meet our expectations in the next few weeks and few months, these are not going to be as good as we'd like to see or they could be better, but that is our present condition at this time. Page 2 is a chronology of the General Fund financial status. I'm not going to spend a lot of time on that because I want to spend some time on the next few pages. Page 3 is one that you've seen before and when I had a handout I didn't put the percentages on, but we've had a total revenue decline, on line 7, of \$392.8 million, and it gives how we got there, if you look at that. In essence, we've worked with a \$400 million adjustment. The revenue actions, if you can see what we've done: Cash Fund lapses of \$50 million; net fund lapses in specials...in the 2002 Session of \$6.2 million; Cash Reserve added \$22.5 million; and LB 1085 and LB 947 added \$117 million. So we've done revenue actions of \$196 million, of which, once again, \$117 million was tax revenue. The spending cuts shows up as: special session, \$120 million; the school aid cut of \$22 million; the cuts that we took of \$42.6 million; and the